

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 60th LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON TAXATION**

**Call to Order:** By Chairman Bob Lake, on March 21, 2007 at 8:00 A.M., in Room 152 Capitol.

#### **ROLL CALL**

**Members Present:**

Rep. Bob Lake, Chairman (R)  
Rep. Jill Cohenour, Vice Chairman (D)  
Rep. Jon Sonju, Vice Chairman (R)  
Rep. Norma Bixby (D)  
Rep. Mark Blasdel (R)  
Rep. Edward B. Butcher (R)  
Rep. Ron Erickson (D)  
Rep. Carol Lambert (R)  
Rep. Wanda Grinde (D)  
Rep. Robin Hamilton (D)  
Rep. Edward Hilbert (R)  
Rep. Mike Jopek (D)  
Rep. Gary MacLaren (R)  
Rep. Dave McAlpin (D)  
Rep. Bill Nooney (R)  
Rep. JP Pomnichowski (D)  
Rep. John (Jack) W. Ross (R)  
Rep. Chas Vincent (R)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Jeff Martin, Legislative Branch  
Katie Butcher, Committee Secretary

**Audio Committees:** These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

**Committee Business Summary:**

Hearing: SB 487, HB 822, HB 823, HB 824  
Executive Action: SB 150, SB 378, HB 463, HB 799

**HEARING ON SB 487**

**Opening Statement by Sponsor:**

00:01:38 Sen. Bob Story (R), SD 30, opened the hearing on SB 487, Require tax information agents report certain real estate transactions.

**Proponents' Testimony:**

00:04:38 Bill Gowen, Helena Abstract and Title, Montana Land and Title Legislative Committee

[EXHIBIT\(tah60a01\)](#)

[EXHIBIT\(tah60a02\)](#)

00:08:35 Holly Franz, Montana Society of CPA's

00:09:01 Joe Roberts, Montana Association of Realtors

00:09:56 David Hunter, Department of Revenue (DOR)

00:13:39 Mary Wittinghill, Montana Taxpayers Association

**Opponents' Testimony:** None

**Informational Testimony:** None

**Questions from Committee Members and Responses:**

00:16:32 Rep. Sonju

00:16:50 Mr. Hunter, DOR

00:21:52 Rep. Butcher

00:22:52 Mr. Hunter, DOR

00:24:56 Rep. Erickson

00:27:24 Mr. Hunter, DOR

00:27:36 Rep. Hilbert

00:27:45 Rep. Erickson

00:28:03 Mr. Hunter, DOR

00:28:40 Rep. MacLaren

00:28:50 Mr. Hunter, DOR

00:30:00 Rep. Nooney

00:30:31 Mr. Hunter, DOR

00:33:02 Rep. Lake

00:33:22 Mr. Hunter, DOR

**Closing by Sponsor:**

00:37:34 Sen. Story

**Discussion:**

00:41:36 Rep. Cohenour

00:41:55 Rep. Lake

00:42:14 Mr. Hunter

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**HEARING ON HB 824**

**Opening Statement by Sponsor:**

00:42:26 Rep. Pat Ingraham (R), HD 13, opened the hearing on HB 824, Exempt military pensions from state income tax.

**Proponents' Testimony:**

00:45:28 Colonel Jim Jacobson, Montana American Legion  
00:51:49 Chief Master Roger Hagen, Montana National Guard  
00:54:22 Dan Antonietti, Veterans of Foreign Wars (VFW)  
00:55:20 Sergeant Fred Easy, Montana National Guard

**Opponents' Testimony:**

**Informational Testimony:**

00:59:32 Roxanne Menhanne, Montana Public Employee's Retirement Association  
01:00:54 Brian Olson, Department of Revenue (DOR)

**Questions from Committee Members and Responses:**

01:01:09 Rep. Sonju  
01:01:54 Sergeant Easy  
01:03:15 Rep. Erickson  
01:04:48 Mr. Olson, DOR  
01:04:56 Rep. Butcher  
01:05:42 Mr. Olson, DOR  
01:06:08 Rep. Butcher  
01:07:13 Colonel Jim Jacobson  
01:08:31 Rep. Cohenour  
01:09:01 Chief Master Hagen  
01:10:01 Rep. Cohenour  
01:10:18 Colonel Jim Jacobson  
01:11:45 Rep. Nooney  
01:12:04 Mr. Olson, DOR  
01:12:29 Rep. Lake  
01:13:17 Mr. Olson, DOR

**Closing by Sponsor:**

01:13:49 Rep. Ingraham  
  
01:15:42 Break  
01:33:53 Reconvene

**HEARING ON HB 823**

**Opening Statement by Sponsor:**

01:34:26 Rep. Veronica Small-Eastman (D), HD 42, opened the hearing on HB 823, Distribute oil and gas funds to counties.

**Proponents' Testimony:**

01:36:37 Rep. Alan Olson, HD 45  
01:38:27 Rep. Duane Ankney, HD 43  
01:40:26 Chad Fenner, Big Horn County Commissioner  
01:41:46 Willy Duffield, Oil, Gas and Coal Counties

**Questions from Committee Members and Responses:**

01:43:24 Rep. Hilbert  
01:43:59 Rep. Olson

**Proponents' Testimony Continued:**

01:44:46 Richard Dunbar, Oil, Gas and Coal Counties, Dawson County Commissioner  
01:45:45 Dawn McDowell, Powder River County Commissioner  
01:46:15 Pat Torgerson  
01:47:16 Troy Blunt, Phillips County Commissioner  
01:47:51 Gary McDonald, Roosevelt County Commissioner  
01:49:39 Don Wrinker, Fallon County Commissioner  
01:51:56 Gary Amestoy, Richland County Economic Commission

**Opponents' Testimony:** None

**Informational Testimony:** None

**Questions from Committee Members and Responses:**

01:54:05 Rep. Lambert  
01:54:40 Mr. Fenner, Big Horn County Commissioner  
01:56:48 Rep. Lambert  
01:58:03 Mr. McDowell, Powder River County Commissioner  
01:58:15 Rep. Hilbert  
01:58:47 Mr. Duffield, Oil, Gas and Coal Counties  
02:01:10 Rep. Erickson  
02:01:58 Mr. Duffield, Oil, Gas and Coal Counties  
02:02:42 Rep. MacLaren  
02:03:04 Mr. Duffield, Oil, Gas and Coal Counties  
02:05:05 Rep. MacLaren  
02:05:14 Mr. Blunt, Phillips County Commissioner

02:05:55 Rep. Ross  
02:06:57 Mr. Duffield, Oil, Gas and Coal Counties  
02:08:15 Rep. Pomnichowski  
02:08:47 Rep. Lake  
02:09:07 Mr. Duffield, Oil, Gas and Coal Counties  
02:09:41 Jeff Martin  
02:10:18 Rep. Butcher  
02:10:48 Mr. Duffield, Oil, Gas and Coal Counties  
02:11:05 Rep. Lake  
02:11:44 Mr. Olson, DOR  
02:12:45 Commissioner Dunbar, Phillips County Commissioner

**Closing by Sponsor:**

02:13:31 Rep. Small-Eastman\_\_\_\_\_

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**HEARING ON HB 822**

**Opening Statement by Sponsor:**

02:15:51 Rep. Michele Reinhart (D), HD 97, opened the hearing on  
HB 822, Generally revise biodiesel and ethanol laws.

**Proponents' Testimony:**

02:21:18 Dale Bickell  
02:23:50 Matthew Elsaesser, SAVE Foundation  
02:24:51 Dave McClure, Montana Farm Bureau  
02:26:05 John Semple, Montana Grain Growers Association  
02:26:27 Pat Torgerson, Women Involved In Farm Economics (WIFE)  
02:27:15 Rick Warren, Northern Plain Resource Council  
02:28:59 Sarah Cobler, Montana Conservation Voters  
02:29:25 Max Milton

**Opponents' Testimony:** None

**Informational Testimony:**

02:30:58 Brian Olson, Department of Revenue (DOR)  
02:31:09 Rhonda Alexander, Petroleum Marketers Convenient Stores  
Association

**Questions from Committee Members and Responses:**

02:31:25 Rep. Butcher  
02:31:41 Rep. Reinhart  
02:33:53 Mr. Olson, (DOR)  
02:34:13 Rep. Butcher

02:36:42 Rep. Hilbert  
02:37:25 Rep. Reinhart  
02:38:06 Rep. Sonju  
02:39:38 Rep. Reinhart  
02:40:28 Rep. Erickson  
02:41:22 Ms. Alexander, Petroleum Marketers Convenient Stores  
Association  
02:44:11 Rep. Erickson  
02:44:29 Rep. Reinhart  
02:45:23 Rep. Nooney  
02:46:02 Rep. Reinhart  
02:46:50 Rep. Nooney  
02:47:22 Ms. Alexander  
02:49:20 Rep. Nooney  
02:50:13 Rep. Vincent  
02:51:24 Ms. Alexander  
02:52:24 Rep. Vincent  
02:52:27 Mr. Elsaesser  
02:54:19 Rep. Cohenour  
02:54:35 Ms. Alexander, Petroleum Marketers Convenient Stores  
Association  
02:56:08 Rep. Cohenour  
02:56:20 Rep. Reinhart  
02:58:46 Rep. Ross  
02:59:43 Rep. Butcher  
02:59:45 Mr. Elsaesser  
03:03:01 Rep. Butcher  
03:03:44 Ms. Alexander, Petroleum Marketers Convenient Stores  
Association  
03:05:36 Rep. MacLaren  
03:05:53 Mr. Elsaesser  
03:06:37 Rep. Lake  
03:06:48 Mr. Olson, DOR

**Closing by Sponsor:**

03:08:50 Rep. Reinhart

**EXECUTIVE ACTION ON HB 463**

03:13:24 **Motion:** Rep. Sonju moved that **HB 463 DO PASS.**

03:13:45 **Substitute Motion/Vote:** Rep. Erickson made a substitute motion that **HB 463 BE TABLED.** Substitute motion carried unanimously by voice vote. Rep. Jopek voted aye by proxy.

**EXECUTIVE ACTION ON SB 378**

03:15:17 **Motion/Vote:** Rep. Erickson moved that **SB 378 BE CONCURRED IN**. Motion carried unanimously by voice vote. Rep. Jopek voted aye by proxy.

**EXECUTIVE ACTION ON HB 799**

03:16:08 **Motion:** Rep. Sonju moved that **HB 799 DO PASS**.

03:16:50 **Motion:** Rep. Cohenour moved that **HB 799 BE AMENDED. EXHIBIT (tah60a03)**

**Discussion:**

03:17:08 Jeff Martin

03:19:12 **Vote:** Motion carried unanimously by voice vote.

03:19:21 **Motion:** Rep. Sonju moved that **HB 799 DO PASS AS AMENDED**.

**Discussion:**

03:19:33 Rep. Erickson

03:19:45 Rep. Sonju

03:20:43 **Motion/Vote:** Rep. Ross moved that **HB 799 BE TABLED**. Motion carried 17-1 by voice vote with Rep. Cohenour voting no. Rep. Jopek voted aye by proxy.

**EXECUTIVE ACTION ON SB 150**

03:21:27 **Motion/Vote:** Rep. Erickson moved that **SB 150 BE CONCURRED IN**. Motion carried unanimously by voice vote. Rep. Jopek voted aye by proxy.

**EXECUTIVE ACTION ON SB 541**

03:23:21 **Motion:** Rep. Sonju moved that **SB 541 BE CONCURRED IN**.

**Discussion:**

03:23:31 Rep. McAlpin

03:23:47 Rep. Cohenour

03:24:43 Rep. Lake

03:25:27 Rep. Erickson

03:26:14 **Vote:** Motion failed 9-9 by roll call vote with Rep. Blasdel, Rep. Butcher, Rep. Hilbert, Rep. Lake, Rep. Lambert, Rep. MacLaren, Rep. Nooney, Rep. Ross, and Rep. Sonju voting aye. Rep. Jopek voted no by proxy.



**ADJOURNMENT**

03:28:00 Adjournment

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REP. BOB LAKE, Chairman

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KATIE BUTCHER, Secretary  
FOR DEBRA POLHEMUS

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Additional Exhibits:

**EXHIBIT ([tah60aad.pdf](#))**